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**Support the Strategy Retreat- Product Development Sub-Strategy
Committee & Workgroups**

**Final Report
April 25, 2005**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

This report is prepared by Robert Kip Garland, consultant with Chemonics International Inc., Prime Contractor to the U.S. Agency for International Development for AMIR Program in Jordan.

Overview

This report was developed for AMIR staff use in furthering the implementation of the tourism strategy for Jordan, and in specific the product development sub-committee. It focuses on the review and recommendations following an analysis to the current tourism strategy and supporting documents, as well as participation in the product development sub-groups of the National Tourism Strategy retreat of March 31 – April 2nd.

In specific this report aims to provide recommendations to help the Product Development Sub-Strategy Committee better implement the 2005 action plans developed at the retreat, with the object of meeting the goals of the National Tourism Strategy. Additionally this report aims to examine how the components under the Product Development Pillar can better integrate with other NTS Pillars, and propose solutions to any implementation barriers perceived during the retreat.

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I. Consultant's Report

A. Context

In preparation for March 31st Strategy retreat, documents relating the tourism strategy for Jordan were reviewed by Kip Garland, an independent economic development and competitiveness consultant with extensive tourism sector experience. Based on these documents, as well as interactions with project stakeholders, this report contains specific insights and conclusions for use in strengthening the tourism strategy implementation for current and future initiatives and programs.

B. Inputs

Inputs included review of:

- National Tourism Strategy document 2004 – 2010;
- Comparative Competitive Study for Jordan produced in September 2003 by consultant Alan Sherwood;
- Product development work group report – September 2002;
- Jordan Ministry of Tourism and Antiquities (MoTA) website – www.mota.gov.jo / www.tourism.jo
- Jordan Tourism Board (JTB) website – www.see-jordan.com
- Work plans developed by the four retreat sub-committees

Additional background and insight on the tourism strategy and process was obtained through conversations with:

- Mr. Steve Wade, Program Director, AMIR
- Ms. Lina Al-Khaled, Tourism Sub-component Manager, ECI/AMIR
- Mr. Ibrahim Osta, Policy Advisor to Minister of Tourism, AMIR
- Ms. Fadia Al-Husseini, Director, Strategy Implementation Unit, MOTA
- Ms. Rula Soussou, Tourism Support Specialist, AMIR
- Ms. Eman Affaneh, Jordan Tourism Board
- Mr. Joseph Ruddy, Dean, Applied University of Jordan
- Mr. Zaid Goussous, Product Development Team Leader

- Mr. Ra'ed Hammouri , Services Product Development Group Leader
- Mr. Aref Al-Farra, Services Product Development Team Facilitator
- Mr. Don Hawkins, Tourism Consultant
- Mr. Matt McNulty, Tourism Consultant

**C. Collaborative Implementation of the Jordan Tourism Strategy:
*Retreat to Develop a National Implementation Plan***

A two and a half days retreat was held for key stakeholders in the implementation of the National Tourism Strategy. Core tourism organizations from across the tourism sector value delivery system were invited to take part in planning the implementation of the strategy for 2005. The retreat was broken into three overall themes:

1. Alignment on the tourism vision and strategy

Tourism and development sector leaders presented the key sub-components of the tourism vision and corresponding strategy. These elements consisted of:

- a. Mission and Goals
- b. Product Development
- c. Human Resources
- d. Marketing
- e. Regulatory and policy

2. Development of the action plan for 2005

Seven work-groups were formed to take the 2005 action plans from draft formation to final plan. Work-groups were composed of a cross-sectional selection of participating organizations and organized by corresponding element of the value deliver system (marketing, product, human resources, and regulatory/policy).

3. Achieving implementing partner's consensus and commitment

Following the development of action plans, each work-group presented their action plan to the plenary. Questions were fielded from each action plan so that full understanding could be achieved of the proposed initiatives. Due to time constraints individual partner organizations planning meetings were not held.

II. Follow-on Recommendations

A. Recommendations to help the Product Development Sub-Strategy Committee better prioritize the implementation 2005 action plans developed at the retreat

Meeting the goals of the National Tourism Strategy:

The AMIR economic development program for the Jordanian tourism sector has made significant progress towards a sustainable strategy that will create competitive advantage from Jordan's considerable comparative advantages. Overall recommendations to increasing the effectiveness of the product development action plans include:

- Increase focus on **competitive differentiation**
 - The tourism strategy has aggressive, specific and reachable financial goals as well as a broad vision of becoming a high value "boutique" destination
 - However to differentiate Jordan more effectively, a more compelling and detailed vision of what and how this "boutique destination" must be developed
- Increasingly drive strategic initiatives through a **market segment** focus
 - Considerable progress has been made by organizing stakeholders through the elements of the tourism value deliver system
 - Developing further opportunities will require an increased market segment focus, where cross value delivery system elements will work together to develop specific targeted niche experiences.

- Link short-term to long term vision through clear **migration paths**
 - Short-term actions developed at the retreat will help build credibility and up-front buy-in among the stakeholders
 - To place these short-term actions in the long term context it is recommend that they be explicitly linked along a migration path involving the elements of strategy (competitive differentiation), competencies building, and new market development

B. How the components under the Product Development Pillar can better integrate with other NTS Pillars

- There exists an opportunity to group actions around specific market segment focused opportunities as leverage the overall strategy implementation.
 - In addition to the current emphasis on the value chain, implementation of some strategy items could be focused on specific market segments
 - Potential for additional clustering activities around specific market segments
 - Clustering would give strategy stakeholders techniques, tools and information to better understand and develop high potential segment opportunities
- From initial market segment clustering, a sustainable institutional development mechanism – like a “product club” can be formed.
 - Organizations, companies and relevant parties *will work* together along the value chain when there is a *specific market driven opportunity driving the context*.
 - The action plan stakeholders will have incentive to cooperate as their cooperation within the *product club* context is based on specific business opportunities and business models built to successfully exploit them.
 - The success stories of the pilot products will provide an incentive for others to apply to the cluster with new products that may be developed and marketed independently, or connected to existing products

- The network of products will facilitate the flow of information between existing and potential cluster members, resulting in a network of stakeholders that can foster the efficient creation of the most effective business partnerships.
- Capacity Building
- Implementation of some actions would greatly enhanced with a stronger orientation towards capacity development of action plan stakeholders. Additional **skills and capabilities** need to be the focus for further internal development. Examples include:
 1. Networking partners and resources for key development elements – financial, technical and market support
 2. Business analysis and planning

C. Solutions to implementation barriers perceived at retreat

Institutionalization: *Because of time constraints, action plans from the retreat where not institutionalized into the participating organizations 2005 plans at the retreat. This presents a stakeholder risk. Further risk exists with the ending of the current AMIR project and transition to a new tourism project. To mitigate this risk, the strategy committee should develop a “product development” institution. One such successful institution is the “product club” concept:*

- Assessment / Competition
 - Assessment and competition for market segmented products will be held
 - “Graduated” Products will receive the grants investment
 - Other products with high development potential will be chosen by the jury to become part of the product club
 - Each market segmented product will consist of multiple stakeholders along the value delivery system
 - The members of the product club will receive assistance as outlined in product formation below. The product club will become the primary mechanism by which the cluster will be institutionalized early on.

- Initial institutionalization and pilot product development
 - In this stage the 5-6 initial groupings of product members selected from the competition will begin to work as a product club
 - The winner of the competition will become the first graduated product club, ready to market.
 - The first step for both the graduated product, as well as the other Product Club members will be to identify key obstacles in product development
 - From these, a key obstacle will then be chosen for focused assistance
 - The form of this assistance will depend on the nature of the targeted obstacle
 - Resources to be used include
 - Direct consulting
 - Industry Expertise
 - Distribution channel expertise
 - Academic and institutions
 - Organizations and associations with relevant expertise
 - Training and workshops
 - Market Development and research
 - Planning and Strategy
 - Partnerships
 - Resources will be applied with the goal of bringing each product club closer to “graduated” status
 - Once “graduated”, the Product Clubs may continue to use available resources to assist them in developing the most effective marketing strategies for their product
 - As time and progress permits, the cluster will expand to include new products, based on applications submitted by interested companies to a committee appointed by the strategy steering committee
 - Eventually the Product Club will be institutionalized whereby all of the coordinating functions will be taken over by the product club.